

# Department of the Treasury Annual EEO, Diversity and Civil Rights Report

FY 2016



UNITED STATES DEPARTMENT OF THE TREASURY  
OFFICE OF CIVIL RIGHTS & DIVERSITY





**U.S. DEPARTMENT OF THE TREASURY  
FY 2016 ANNUAL EEO, DIVERSITY AND CIVIL RIGHTS REPORT**

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## **INTRODUCTION/MISSION**

This report covers the period of October 1, 2015, through September 30, 2016, and highlights Treasury's accomplishments during Fiscal Year (FY) 2016 in attaining and maintaining a model EEO Program.

### **The Office of Civil Rights and Diversity**

OCRD administers the Department-wide equal employment opportunity and diversity (EEOD) program by providing policy, oversight and technical guidance to Treasury bureaus, including the Departmental Offices, on affirmative employment, special emphasis program areas, diversity, and EEO complaint processing.

In addition, OCRD oversees Treasury's external civil rights efforts to ensure non-discrimination in programs operated or funded by the Department of the Treasury. The external civil rights program ensures individuals are not excluded from participation in, denied the benefits of, or otherwise subjected to prohibited discrimination under programs or activities conducted or funded by the Department.

OCRD also manages all stages of the formal complaint process including final agency actions on discrimination complaints filed by Treasury employees and applicants for employment.

### **Six Essential Elements of a Model EEO Program**

The following sections of this report contain an evaluation of Treasury's EEO programs against the six essential elements of a Model EEO program, as established by MD-715.

### **Essential Element A: Demonstrated Commitment from Treasury Leadership**

Secretary Lew affirmed his commitment to EEO by issuing an EEO policy statement shortly after his confirmation, and by issuing an annual EEO policy statement, the latest issued on December 22, 2015. The EEO policy, along with the Secretary's Diversity policy, expresses the Department's support of diversity, equal employment opportunity and a workplace free of discriminatory harassment.

The EEO policy statement was communicated via email to all Treasury employees. Each of Treasury's bureau heads has committed to the principles of EEO and diversity by either issuing or reissuing their policy statements in support of EEO and diversity. Each bureau also ensures that its own EEO policy and Treasury's EEO policy are disseminated to all new employees during orientation and are available on the intranet and public internet site if applicable.

Each bureau also ensures all newly promoted managers and supervisors receive copies of both the bureau and Treasury EEO policies as a reminder of their role and responsibility in providing a discrimination and harassment-free work environment.

Treasury's policies, orders and directives on EEO matters can be found on Treasury's public internet site located at: [http://www.treasury.gov/about/organizational\\_structure/offices/Mgt/Pages/eoo\\_policy.aspx](http://www.treasury.gov/about/organizational_structure/offices/Mgt/Pages/eoo_policy.aspx)

Treasury and its bureaus also make written materials available to all employees and applicants, informing them of the variety of EEO programs and administrative and judicial remedial procedures available to

them through our internet and intranet sites. OCRD's internet site is located at: <http://www.treasury.gov/about/organizational-structure/offices/Pages/Office-of-Civil-Rights-and-Diversity.aspx>.

Each Treasury bureau maintains its own performance appraisal form for managers and supervisors. The Department has a standard evaluation form for the Senior Executive Service that all bureaus are required to utilize and the SES performance plan incorporates the required critical element that evaluates SES commitment to Treasury's EEO and diversity policies and principles.

In addition, the Department established standard performance elements for the bureau EEO Officers. These performance standards include an evaluation of the EEO Officer's efforts to build and create a diverse workforce, increase the participation rate of persons with disabilities and create an inclusive work environment.

Treasury's Reasonable Accommodation policy and procedures are current and easily accessible to all employees and applicants via our internal and external websites. OCRD has posted a copy of its current policy and procedures to its websites at: [http://www.treasury.gov/about/organizational-structure/offices/Mgt/Pages/eo\\_policy.aspx](http://www.treasury.gov/about/organizational-structure/offices/Mgt/Pages/eo_policy.aspx)

### **Essential Element B: Integration of EEO into the Strategic Mission**

The Secretary has delegated authority over all EEO matters to the Assistant Secretary for Management (ASM) through Treasury Order 102-02 located at: <http://www.treasury.gov/about/role-of-treasury/orders-directives/Pages/to102-02.aspx>.

The ASM, who reports directly to the Secretary and Deputy Secretary, is kept abreast of EEO matters through meetings

with the Director of OCRD. The Director of the OCRD, who reports directly to the ASM, provides the day-to-day management of the Equal Employment Opportunity, Civil Rights and Diversity programs in Treasury, and has direct access to the ASM to provide him with critical information regarding these programs. In addition, the Director of OCRD has regular bi-weekly meetings with the ASM on the status of EEO programs.

### **Department of the Treasury Strategic Plan**

Through Treasury's Strategic Plan for Fiscal Years 2014 - 2017, the Department continues to prioritize the importance of building and maintaining a high-performing and diverse workforce. Achieving these objectives demands a concerted commitment on the part of everyone in Treasury to continuous improvement in skills, learning, processes, attitudes and organizational culture. Goal five of the Department's Strategic Plan outlines four objectives to help the department meet its plan.

- Objective 5.1: Increase workforce engagement, performance, and diversity by instilling excellence, innovation and inclusion in Treasury's organizational culture and business practices.
- Objective 5.2: Support effective, data driven decision-making and encourage transparency through intelligent gathering, analysis, sharing, use and dissemination of information.
- Objective 5.3: Promote efficient use of resources through shared services, strategic sourcing, streamlined business processes and accountability.
- Objective 5.4: Create a culture of service through relentless pursuit of customer value.



**Department of the Treasury Human Capital Strategic Plan**

To support the Department in meeting its strategic goals as set forth in the Treasury Strategic Plan for Fiscal Years 2014-2017, the Treasury Human Capital Advisory Council (HCAC) developed the FY 2014-2017 Treasury Human Capital Strategic Plan (HCSP). The HCSP addresses future workforce demands and challenges and establishes specific human capital management strategies, objectives, indicators, and initiatives to meet them. While the Treasury Strategic Plan outlines the agency-wide goals and measures for fulfilling the Department's operational mission, the HCSP specifically focuses on five human capital strategic goals.

- Improve Effectiveness, Efficiency, and Customer Interaction in the delivery of human capital services.
- Increase Workforce Engagement: Enable employees to work more effectively toward organizational goals.
- Increase Workforce Performance: Develop leaders and managers who improve organizational performance by positively motivating and engaging people to meet and exceed goals.
- Increase Workforce Diversity: Build and sustain an inclusive environment in which all people are treated fairly and have opportunities to excel.
- Pursue Continuous Improvement: Create a 21st Century approach to human capital management in government.

**Department of the Treasury Strategic Diversity and Inclusion Plan**

U.S. demographics are continuously shifting with the Treasury serving a more diverse population than ever before. For the Department to effectively meet its

challenges, the workforce must reflect the rich diversity and varied viewpoints of the American people. This necessitates the creation of an inclusive work environment that welcomes and supports employees from all backgrounds, a goal that can help engage employees and promote job satisfaction, and improved organizational performance to better achieve our mission.

To that end, Treasury issued its inaugural Department-wide Strategic Diversity and Inclusion Plan on March 21, 2012. The plan has served as a tool to provide a shared direction, encourage commitment and accountability and create alignment for all of the components in the Department.

The Strategic Diversity and Inclusion Plan focuses on three key areas: establishment of a shared vision, shared values and practices among agency leadership; active recruitment and development of a diverse workforce; and building a culture of commitment to diversity and inclusion.

Additionally, based on new guidance in FY 2016 and the release of OPM's Government-Wide Diversity and Inclusion Strategy, OCRD established a core team of representatives from Human Resources, Diversity and EEO communities from the Department and the bureaus to work together to re-evaluate and enhance the Department's diversity vision, mission and strategic priorities and corresponding goals for FY 2017 and beyond.

As part of OPM's oversight over agency Diversity and Inclusion programs, a Diversity and Inclusion – IQ Index was developed. The IQ Index provides agencies with a metric for evaluating the effectiveness of their Diversity and Inclusion Plans. The Diversity and Inclusion IQ Index focuses on five categories using questions from the Federal Employee Viewpoint Survey (FEVS) responses:

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Fairness, Open-minded, Cooperative, Supportive and Empowerment (FOCSE).

In FY 2016 Treasury received an overall Diversity and Inclusion score of 60 percent; above the government-wide average of 56 percent. Overall, employees responded very positively in the category of Supportive (80%). While employee responses in the areas of Open (58%), Cooperative (57%), and Empowerment (60%) were not considered areas of weakness, the results provide the Department the opportunity for continued improvement. However, the Department considers employee responses in the area of Fairness (49%) to be the most concerning. In FY 2017, Treasury and its bureaus will continue to focus efforts to improve employee satisfaction within the areas covered by the IQ Index and, based on the overall results of FY 2016, will focus on developing plans to improve employee responses in the Fairness category.

In conjunction with the Department's Strategic Diversity and Inclusion Plan, each of the Department's bureaus maintained its own implementation plan. Throughout FY 2016, OCRD continued to meet with bureau EEO and Human Resource Officers to review the bureau's implementation plan and evaluate its progress/results.

### **Treasury Executive Institute Coaching – Putting You First for Excellence**

As a service to support Treasury employee growth and development, the Treasury Executive Institute (TEI) continued to offer individual coaching services in FY 2016. To ensure quality of service, all TEI coaches have completed, or are in the process of completing, certification through the International Coaching Federation (ICF).

TEI's coaching services provide an excellent way to assist employees in achieving their professional goals to go to the next level by: reviewing 360 feedback results; solving

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individual leadership challenges; excelling in self-awareness and self-management; gaining clarity in decision making and purpose; and/or developing leadership attributes and behaviors of empathy, self-disclosure, active listening, and giving and receiving feedback.

TEI coaching can be provided in various formats that include:

- **One-on-One Coaching** - This offering can be conducted face-to-face or virtually.
- **Peer Cohorts** - This offering is an excellent strategy for building leadership skills, collaboration, learning, and effective use of questions in a group setting.
- **Continuing Coach Education Series** - This session focuses on building coaching skills. The programs are specific one-day workshops offered by marketplace leaders and available to all TEI cadre coaches.
- **Coaching Skills for Managers Workshops** - Coaching is a powerful tool for any manager seeking to develop others in a learning organization and to maximize employee performance and engagement.
- **Coach Training** - In exchange for the coach training, each individual agrees to serve on TEI's internal coaching cadre and provide approximately 10 hours per month of pro-bono coaching to employees in TEI participating agencies and bureaus for 24 months after beginning the coaching program. TEI manages the matching of the coaches and clients. This program is open to GS-14's (and equivalents) and above.

In FY 2016, TEI had 78 certified and active coaches on hand who provided 2,463 coaching hours to 322 Treasury employees.



**Internship Programs**

In past years, internship programs have played a significant role in ensuring that a diverse pipeline of talent is available to fill mission critical occupations being vacated by an aging workforce.

Throughout FY 2016 Treasury and its bureaus have continued to establish and maintain partnerships with existing external internship programs that attract highly qualified, educated and diverse students. Internship programs such as the Pathways Program, Hispanic Association of Colleges and Universities' (HACU) Hispanic Serving Institutions National Internship Program (HSINIP), the International Leadership Foundation (ILF), INROADS, Operation Warfighter, the Washington Internship Program for Native Students (WINS), the Workforce Recruitment Program (WRP) and the Washington Center, continue to provide Treasury and its bureaus an avenue to identify and expand the pool of potential candidates to fill mission critical vacancies and to grow new talent.

However, with the current budget constraints many of the Treasury bureaus have been faced with over the last few years, funding for internship opportunities has become very limited. While the Department and its bureaus continue to fund internship opportunities whenever possible, this year the bureaus' use of these programs was on a limited scale in comparison with past years.

**Hispanic Serving Institutions National Internship Program (HSINIP)**

As a way to develop a pipeline of Hispanic employees, Treasury has maintained its partnership with HACU's Hispanic Serving Institutions National Internship Program (HSINIP). Viewed as a cornerstone of diversity recruitment, the HSINIP aims to increase employment opportunities for

Hispanic students throughout the federal government.

During FY 2016, Treasury placed 11 (fall, spring, and summer) HACU interns in FS, DO, IRS, OCC and Mint.

**International Leadership Foundation (ILF)**

Since FY05, Treasury has partnered with the International Leadership Foundation (ILF) to provide Asian American Students exposure to public service. The ILF is a non-profit organization which gives scholarships to Asian American college students and places them in public service internships to help prepare them to become tomorrow's leaders.

During FY 2016, Treasury placed four ILF students in FS.

**Workforce Recruitment Program (WRP)**

WRP is a resource to connect public and private sector employers nationwide with highly motivated post-secondary students and recent graduates with disabilities who are eager to prove their abilities in the workforce. Coordinated by the Department of Labor and the Department of Defense, the WRP sends trained recruiters to conduct personal interviews with interested students on college and university campuses annually. From these interviews, a data base is compiled containing information on more than 1,500 college students and recent graduates seeking temporary or permanent jobs.

In FY 2016, OCC hired five WRP students.

**The Washington Center for Internships (TWC)**

The Washington Center for Internships (TWC) is an independent, non-profit organization serving hundreds of colleges and universities in the United States by

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providing students challenging opportunities to work and learn in Washington, D.C.

During FY 2016, Treasury placed 15 TWC interns in DO and OCC.

### INROADS Program

The INROADS program assists agencies in accessing diverse talent through early identification and continuous leadership development of outstanding students. Through its unique leadership development process, INROADS assists agencies with anticipating business needs and identifying quality diverse employees who can contribute to meeting agencies' mission needs.

During FY 2016, Treasury placed 22 (fall, spring, and summer) INROADS interns in DO and OCC.

### Operation Warfighter

Operation Warfighter (OWF) is a temporary assignment/internship program, developed by the Department of Defense, for service members who are convalescing at military treatment facilities (initially in the National Capitol Region but increasingly throughout the United States). The program provides recuperating service members with meaningful activity outside of the hospital environment and offers a formal means of transition back to the military or civilian workforce.

In FY 2016, Treasury hosted 19 interns through OWF in IRS, FS, and Mint. Of the 19 interns, IRS converted two to permanent status.

### Other Internship Programs

In FY 2016, Treasury placed 137 interns through the Pathways Program. The 137 Pathway Program participants were placed in FS, DO, FinCEN, IRS, IRS-CC, OCC,

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TIGTA and TTB. Of the Pathway Program participants, 41 were converted to permanent employees.

IRS hosted five interns through the Washington Internship Institute. Through Proxtronics Dosimetry, LLC, OCC sponsored 1 intern.

Through the Maryland Department of Rehabilitation Services (DORS), FS hosted two interns. DORS provides services to help persons with disabilities prepare for jobs and careers and assists employers in finding prescreened applicants.

Throughout FY 2016, IRS-CC sponsored 20 interns through its Summer Legal Program available to second year law students. Through developmental assignments, the program provides exposure to IRS-CC and enables law students to work under the supervision of experienced tax lawyers.

During FY 2016, IRS hosted 32 Veteran interns as part of its non-paid veteran (26) and student veterans (6) programs. Of the veteran interns, 7 veterans and one student veteran were converted to permanent employees.

In FY 2016, through programs like the DC Summer Youth Employment Program, High School Work Study, Denver Public School Intern Program and the Marion Barry Summer Youth Employment Program, IRS, IRS-CC and Mint hosted 114 youth between the ages of 14 to 21 with enriching and constructive summer work experiences. Through other non-paid internship opportunities, Treasury hosted an additional 455 interns in DO, FinCEN, IRS, Mint and TIGTA.

And finally, OCC sponsored 19 interns through its District Financial Internship Program for Entry Level Examiner Program.

Of the 19 interns, OCC successfully converted five to permanent employees.

**Essential Element C: Management and Program Accountability**

Treasury exercises program oversight and accountability of bureau programs in accordance with Treasury's policy on Departmental Oversight of Management Functions (HCIS 250.1), which authorizes the ASM and the Departmental Functional Program Heads to establish Department-wide strategic goals and objectives, as well as individual performance expectations and uniform language, to be incorporated into the performance plans of Bureau Functional Program Heads (CXOs) such as the bureau EEO Officers. The CXO policy calls for the ASM to participate in the recruitment, selection, retention and performance alignment of bureau management officials to include bureau EEO/Diversity Officers. As a result of the implementation of this policy, significant benefits for both Treasury and the bureaus in FY 2016 resulted in:

- increased collaboration
- greater transparency of information, data, goals, and plans
- more efficient sharing of resources, and
- greater emphasis on succession planning, including more effective recruitment and selection leading to better qualified hires.

The Department also continued to enhance the EEO community's access to relevant workforce data by providing quarterly workforce data tables as well as conducting quarterly data reviews to enhance the accuracy of Treasury's workforce data.

In FY 2016, OCRD also began to create and share Deeper Dive Diversity Dashboards for Treasury's senior leaders. The new Deeper Dive Dashboards targeted major occupations and were designed to initiate informed

discussions between Treasury and bureau leadership within specific functional areas. The dashboards provided relevant workforce data on the distribution of occupations across bureaus, participation rates, hires, separations, grade distribution to include a focused look at the SES and the feeder pools, age distribution, years of service, duty locations, employee exit survey responses, forecasted retirement eligibility, performance ratings, average salaries and applicant flow data by ERI, gender, disability and veteran status.

As part of ASM's bi-annual quality performance reviews and in support of the Department's Strategic Diversity and Inclusion Plan, OCRD continued to provide the ASM and Deputy Secretary with quarterly diversity performance slides. The slides are bureau specific and provide leadership with information on the demographics of hires, separations, distribution in the grades as well as veteran and disability data.

Additionally, in FY 2017 OCRD will work in collaboration with the OCIO to develop automated diversity dashboards that will enhance Treasury and bureau leadership's knowledge of the state of their workforce, help identify any areas of potential concern and provide insight towards identifying where new or additional strategies may be warranted to improve overall workforce diversity and inclusion.

**Exit Survey Tool and Analysis**

Now in its seventh year, Treasury continued the use of its automated Exit Survey tool deployed in FY 2010. The Exit Survey results are a valuable source for guiding bureau HR and EEO staff as well as managers towards identifying potential barriers in the areas of retention, career advancement, professional development, and provision of reasonable accommodations.

During the reporting period a total of 10,735<sup>1</sup> employees separated from Treasury; 9,256<sup>2</sup> were permanent employees and 1,479 were temporary. From those separations, 9,321 were voluntary; 8,601 permanent and 720 temporary. From the voluntarily separating employees, we received a total of 2,419 (26%) responses. Of the 2,419 responses, 98% (2,367) were permanent/seasonal employees, of whom 8% (180) were persons with disabilities and 18% (423) were veterans; 2% (52) were temporary employees<sup>3</sup>.

While Whites represent 56% of the Department's total permanent workforce, Whites represented 58% of the separating permanent/seasonal employees and 67% of the respondents who took the Exit Survey. Males represent 38% of the Department's total permanent workforce, 37% of the separating permanent/seasonal employees and 41% of those who took the Exit Survey.

We also note that separating permanent/seasonal employees tended to be older; 74% of the permanent/seasonal respondents to the Exit Survey reported being 50 years of age or older and 50% indicated their length of service was more than 25 years. This is not an unexpected result as the reason most frequently cited for separating permanent/seasonal respondents was retirement (1,569 out of 2,367 or 66%). Additionally, 24% or 573, identified they were leaving due to a promotion, transfer or accepting a position at another Federal/State Agency, non-profit or private sector

organization and 4% or 96, identified resigning for other reasons not listed.

A high proportion of departing employees identified their Treasury work experience as positive (84% of permanent/seasonal employees). However, a significant percentage (61%) of permanent/seasonal employees reported job related stress was not manageable and 39% indicated that their workload was not reasonable.

Additionally, 55% indicated that the morale in their office was not good. Departing permanent/seasonal employees responded favorably overall to most questions related to work experience. However, a significant number of responses from departing permanent/seasonal employees concerned career growth, such as having the opportunity to participate in decisions (45%) and access to career development opportunities (43%).

During the period of October 1, 2015 through September 30, 2016, 180 permanent/seasonal persons with disabilities (PWD) responded to the Department's Exit Survey. The overall responses from PWD were similar to the overall permanent/seasonal employee responses in that 42% (75) had more than 25 years of service and 76% (137) were age 50 or older. Of the respondents with disabilities, 41% (73) were veterans. The most frequently cited reason for separation of PWD was retirement (119 or 66%).

The factor most frequently cited as impacting a PWD's decision to leave was job stress (75%). Additional factors frequently cited include office morale (68%); office organization and alignment with regard to effective and efficient service (56%), resources to do the job (55%), ability to participate in decisions (54%), reasonableness of workload (52%), pay in relation to job responsibilities and performance (52%), ability to demonstrate

<sup>1</sup> Data does not include those employees separating from the office of the Special Inspector General for the Troubled Asset Relief Program (38) or the Office of the Inspector General (27).

<sup>2</sup> Data on separations was provided by Workforce Analytics as of pay period 20, October 15, 2016.

<sup>3</sup> No analysis was conducted on the temporary employees because the number of respondents is insufficient for conducting a statistically significant analysis.

skills and capabilities (52%) and access to developmental opportunities (51%).

73% of the respondents indicated their work experience was generally positive and 62% stated they would recommend Treasury as a good place to work. PWD (52%) were slightly less likely to indicate that they would recommend Treasury as a good place to work, as compared to the 75% of all respondents.

Overall responses from veterans mirrored the overall permanent/seasonal employee responses in that, 36% (151) had more than 25 years of service, and 74% (311) were age 50 or older. The most frequently cited reason for separation of veterans was retirement (261 or 62%), transferring, promotion or accepting a position in the private sector, another federal agency or Treasury bureau (119 or 28%) and other (7 or 2%).

The factor most frequently cited by veterans for their decision to leave was job related stress (58%). Additional factors frequently cited included office morale (54%), ability to participate in decision making (47%), pay in relationship to job responsibilities (44%) and access to developmental opportunities (42%). 82% of the respondents indicated their work experience was generally positive and 73% stated they would recommend Treasury as a good place to work. Additionally, 67% of the separating veterans said they would be interested in returning to work for Treasury.

### **FY 2016 Employee Viewpoint Survey**

The 2016 Federal Employee Viewpoint Survey (FEVS) was administered by the Office of Personnel Management (OPM) between April 26 and June 7, 2016. As with previous years, the 2016 survey was a full census, administered to all eligible employees, defined as full- or part-time, permanent, non-political, and non-seasonal employees onboard as of October 2015.

Treasury's 2016 response rate was 55.9 percent with 45,497 out of 81,402 eligible employees responding. As in the previous year, the Department's response rate remained significantly higher than the FY 2016 government-wide rate of 45.8 percent.

The FEVS includes a total of 99 questions, of which 71 measure federal employees' perceptions about how effectively agencies manage their workforce; 13 are specific to employees participating in work/life programs; and 15 relate to demographic information.

OPM considers items with a positive rating of 65 percent or more as an organizational strength and 35 percent or less as a weakness. The FY 2016 FEVS results reflected that 34 survey items had positive ratings of 65% or more and only 9 survey items had negative ratings of 35% or less

One of the core ways Treasury gauges survey results about employee perceptions and engagement is to look at the overall satisfaction index. In FY 2016, overall satisfaction government-wide increased to 65 percent compared to 61 percent in FY 2015. The overall satisfaction at Treasury surpassed the government-wide average and also showed an increase from 60 percent in 2015 to 67 percent in FY 2016.

Treasury employees' responses indicated that they continue to remain committed to the mission, are willing to give extra to get the job done and are proud of the quality of their work. Treasury employees also had positive responses to questions regarding their immediate supervisors. However, employees provided high negative responses in the areas of pay, resources, recruitment and opportunities to get a better job within Treasury.



**Moving Forward: FEVS Engagement Plans**

Based on the 2016 results, management will work with bureaus through quarterly performance reviews with the Deputy Secretary and other venues to identify high-interest items, common barriers, promising initiatives, and goals to improve bureau-specific results.

**Essential Element D: Proactive Prevention of Unlawful Discrimination****Special Emphasis Programs**

As previously mentioned, OCRD is part of Departmental Offices and provides policy, oversight and technical guidance to Treasury bureaus to include special emphasis program (SEP) areas. SEPs provide a framework for incorporating EEO principles of fairness and equal opportunity into the fabric of the Department and its bureaus, across the employment spectrum. Established throughout the bureaus, the three federally mandated SEPs -- the Hispanic Employment Program, the Federal Women's Program and the Persons with Disabilities Program -- reflect the Department's commitment to equal opportunity, dignity, and respect. At their discretion, individual bureaus have also established other SEPs such as African-American, Asian American/Pacific Islander, American Indian/Alaska Native employment programs and Lesbian Bisexual Gay and Transgender employment programs.

Bureau SEP Managers and Coordinators serve as resource persons or advisors to the bureau EEO offices on the unique concerns of the particular constituent group and support the internship programs and other partnerships discussed previously.

During FY 2016, OCRD's Veteran and Disability Program Managers met with SEPMs quarterly. These quarterly meetings were an opportunity to identify and share best practices and to promote the non-competitive employment of individuals with disabilities and veterans.

Additionally, Treasury was one of 31 Federal agencies that participated in the 23<sup>rd</sup> annual Federal Inter-Agency observance to honor the Days of Remembrance. The program, "Survive, Thrive, Make a Difference," was designed to provide eyewitness testimony to what should never be forgotten and share the stories of survivors who have made meaningful contributions to society while overcoming evil. The program also featured a short film on the life of Ruth Gruber, American journalist and rescuer.

**Treasury-wide Diversity Training Events**

In FY 2016, Treasury's Executive Institute (TEI) established a curriculum and hosted a variety of training sessions for Treasury employees and managers geared towards enhancing knowledge of diversity and inclusion with additional emphasis on leveraging diversity through leadership development and conflict management.

Treasury also hosted a Treasury-Wide Flash Mentoring session for aspiring Treasury Leaders in grades GS-14 and GS 15 or their equivalent. Mentors included Treasury Senior Executives from diverse backgrounds who were eager to share experiences of their own "rise" to the senior executive service.

Additionally, in September, Treasury held a Treasury-wide Senior Executive training session. The session provided information on "unconscious bias".



**Alternative Dispute Prevention (ADR)**

Conflict that results in formal disputes is costly and disruptive to the workforce. Therefore, the Department continues to devote significant resources to resolving conflict through dispute prevention and through alternative dispute resolution (ADR) methods.

As with previous years, the Department held its annual Dispute Prevention Week with a Mediation presentation. The presentation allowed managers and employees to understand the benefits and central tenets of mediation, the role of the mediator, and how the mediation process works to open communication and reach amicable solutions in workplace conflict.

In FY 2016, 93 percent of EEO counseling contacts were offered ADR, and 57 percent of those offered ADR participated in ADR at the informal level.

**ADR Offered to Complainants  
(Informal) FY 2016**

<b>Total Counseling</b>	<b>709</b>
<b>Total ADR Offered</b>	<b>660</b>
<b>Total Accepted</b>	<b>405</b>
<b>Offer Rate</b>	<b>93%</b>
<b>Acceptance Rate</b>	<b>57%</b>

In the formal complaint process, during FY 2016, the Department achieved an 82 percent ADR offer rate and nine percent of complainants offered ADR participated in FY 2016.

**ADR Offered to Complainants  
(Formal) FY 2016**

<b>Formal Complaints</b>	<b>384</b>
<b>Total ADR Offered</b>	<b>313</b>
<b>Total Accepted</b>	<b>36</b>
<b>Offer Rate</b>	<b>82%</b>
<b>Acceptance Rate</b>	<b>9%</b>

**Shared Neutrals Program**

Through the Treasury Shared Neutrals (TSN) Program, Treasury maintains a nationwide cadre of certified and highly trained neutrals (also known as mediators). TSN mediators are employees from various organizations trained in the art of mediation who voluntarily serve on a collateral-duty basis. Their objective is to assist bureaus in resolving all types of workplace disputes at the earliest stages of the conflict and to provide a resolution through mediation, facilitation, and coaching.

In FY 2016, the TSN administration function was transferred to the Internal Revenue for the next two years. During FY 2016, TSN completed a total of 227 mediations. Of these 227 mediations, TSN mediators successfully resolved 94 (41 percent) disputes.

**Essential Element E: Efficiency**

Treasury has sufficient staffing, funding and authority to comply with the time frames established in EEOC regulations (29 CFR §1614) for processing EEO complaints of employment discrimination. Treasury promotes and utilizes an efficient and fair dispute resolution process and has a system in place for evaluating the impact and effectiveness of the Department's EEO complaint processing program. Treasury's complaint management system, I-Trak, continues to provide greater Department-wide tracking and case management capabilities for both the formal and informal complaint process.

**Discrimination Complaints**

In the area of discrimination complaints, OCRD is responsible for providing authoritative advice to bureau EEO staff and for processing all administrative EEO complaints based on race, color, national

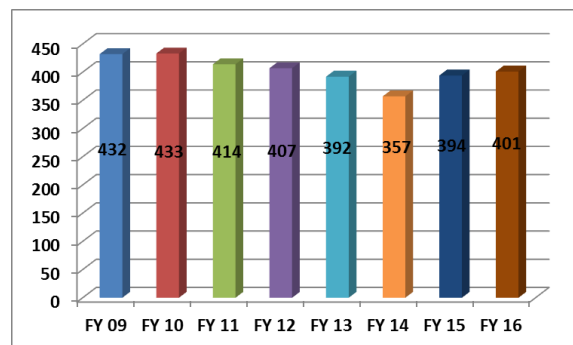
origin, religion, sex (including sexual orientation, gender identity and pregnancy), age, disability, protected genetic information, reprisal and parental status. OCRD also develops complaint policies and procedures and produces high quality final agency decisions. In addition, OCRD oversees the Department's appeal process, tracks all appeal decisions, and monitors compliance with decisions issued by the EEOC.

The Department also has special procedures for handling complaints on the basis of parental status. This basis was added in response to a Presidential Executive Order.

### Complaint Activity

Treasury timely submitted the EEOC 462 Report in October 2016. The 462 Report is an annual assessment of the agency's formal and informal complaints, and of avenues used to resolve issues prior to and during the complaint process.

During FY 2016, the number of EEO complaints filed by Treasury employees and applicants (401) increased by two percent from the number of complaints filed in FY 2015 (394).



\* Prior to FY 2010, protected genetic information complaints were processed under the Department's modified procedures. Since the passing of the Genetic Information Non-Discrimination Act (GINA) in November 2009, these complaints have been processed as EEO complaints in the statutory complaint process.

At the close of FY 2015, Treasury had 687 complaints pending that were carried over to FY 2016. During FY 2016, 401 complaints were filed, six cases were remanded back to

the agency by the EEOC and Treasury closed 384 complaints.

In FY 2016, the Department maintained its 96 percent timely completion rate of EEO counselings.

By the end of FY 2016, the Department completed 352 investigations. There were 176 investigations (50 percent) completed within 180 days, 162 (46 percent) completed between 181-360 days and 14 (4 percent) were completed in 361 or more days. Because time frames are extended under certain situations, 78 percent (273) of all investigations were timely completed. In FY 2016, Treasury issued 198 final agency decisions in cases where a hearing was not requested. Of these decisions, 139 were merit decisions and 59 were procedural dismissals. In FY 2016, there were six findings of discrimination.

Overall in FY 2016, Treasury processed 139 merit decisions within an average of 55 processing days, which is below the 60 processing days mandated by EEOC. Eighty percent (111) of those merit decisions were timely issued within 60 days of receipt of the decision request. Treasury issued 30 final agency actions in cases with an administrative judge's decision (i.e., cases where a hearing was requested); one involved a finding of discrimination.

At the end of FY 2016, Treasury had 710 complaints pending. Pending complaints can be at the acknowledgement, investigation, hearing or final agency decision stages.

At the end of FY 2016, 20 percent of pending complaints were at the investigation stage. Seventy-one percent were pending a hearing before an EEOC Administrative Judge<sup>4</sup>. A total of 46 (7 percent) of the complaints

<sup>4</sup> Case decisions pending before an EEOC administrative judge are outside the control of the agency.

remained pending in the final agency decision/action phase with the remaining 23 (3 percent) pending decision to accept/dismiss.

At Treasury, the most frequently cited bases for complaints are age, reprisal and disability, and the most frequently cited issues are harassment (non-sexual), performance evaluation/appraisal, and promotion/non-selection.

The percentage of Treasury employees who filed formal EEO complaints increased slightly from 0.38 percent of the workforce in FY 2015 (394 complaints) to 0.40 percent in FY 2016 (401 complaints).

### **Essential Element F: Responsiveness and Legal Compliance**

Treasury is in compliance with the law, including EEOC regulations, directives, orders and other instructions. The Department has posted all required No Fear Act information, provided the required training, and consistently filed timely MD-715 and EEOC Form 462 reports as well as other reports required by EEOC and OPM.

Additionally, in FY 2016 Treasury conducted its mandatory Biennial No Fear Act Training.

### **Agency/Bureau State of the Agency MD-715 Briefings**

During FY 2016, the Department conducted its FY 2015 State of the Agency Briefing with senior leadership in January 2016. After the submission of Treasury's FY 2016 MD-715 report, OCRD plans to brief senior leadership on the Department's status in maintaining a model EEO Program during FY 2016.

The Department also continued to hold its one-on-one briefings with each of its bureaus in an effort to improve the mutual

understanding of bureau program deficiencies and workforce triggers /barriers. As previously noted each bureau, regardless of its size, has its own distinct reporting structure for its EEO and HR offices and establishes its own policy and procedures regarding the hiring, recruitment and retention of employees. Therefore, the required barrier analysis must be completed at the bureau level. These briefings provide a forum for OCRD and bureau EEO staffs to dialogue about possible internal and external factors that may be contributing to triggers/barriers, recommend the direction of the bureau barrier analysis and identify corporate strategies that may assist bureaus in determining if workplace barriers exist.

In FY 2016, OCRD continued with its standard practice of providing bureau leadership with feedback on the preparation of their previous year's annual MD-715 report. However this year, our team's focus was on reviewing and providing recommendations to enhance the bureaus barrier analysis and PART I's. In many cases, the team found that the analysis was too broad to identify the actual barrier, and resulted in recommendations on ways to refine and target the root cause analysis to more accurately identify if a potential barrier existed.

### **Workforce Demographics**

The MD-715 report contains information on Treasury's workforce demographics over the period of FY 2007 to FY 2016<sup>5</sup>. The area where participation rates have been of the most concern at the Department have been the distribution of women and non-Whites in the General Schedule grades (GS) 13 through

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<sup>5</sup> Enterprise Data Management System, Treasury's system of record, maintains employment data that covers a period of 10 years. Beginning in FY 2016 data for trend analysis is available for FY 2007 through FY 2016.

15 and the Senior Executive Service to include equivalent pay plans (OR, TR, IR and NB), Hispanics and persons with targeted disabilities (PWTD).

For a cabinet level agency the size of Treasury, it is impractical to expect any demographic data to change by more than a percent in a single fiscal year. Indeed, such data typically varies only by tenths of a percent from one year to the next. However, as a result of the bureaus' efforts to improve diversity in those areas with lower than expected participation, Treasury has noted significant progress in increased participation rates for Hispanics and has been successful in maintaining its participation rate for persons with disabilities (PWD) and PWTD.

As of the end of FY 2016, the permanent workforce participation rate of Hispanics was 11.02 percent. This is an overall increase of 2 percent when compared to the 9.01 percent participation rate noted in FY 2007. This participation rate is above both the CLF (9.98 percent) and RCLF (8.50 percent) availability rates.

Additionally, the Department continues to maintain one of the highest participation rates of individuals with targeted disabilities among cabinet level agencies. And of significant note, in FY 2016, the Department met the goal that 10 percent of all new permanent hires be PWD (10.56 percent). Moreover, 1.6% of those hires were PWTD.

### **Participation Rates in the Permanent Workforce**

As of the close of FY 2016, Treasury had 96,892 permanent employees<sup>6</sup>, a decrease of 3,762 (-3.74 percent net change) employees from FY 2015. This decrease is primarily

<sup>6</sup> For purposes of analysis, non-appropriated fund employees are included in the workforce totals as permanent or temporary employees depending on status.

due to reduced budgets which may have significantly limited or reduced hiring opportunities for many of Treasury's bureaus in FY 2016.

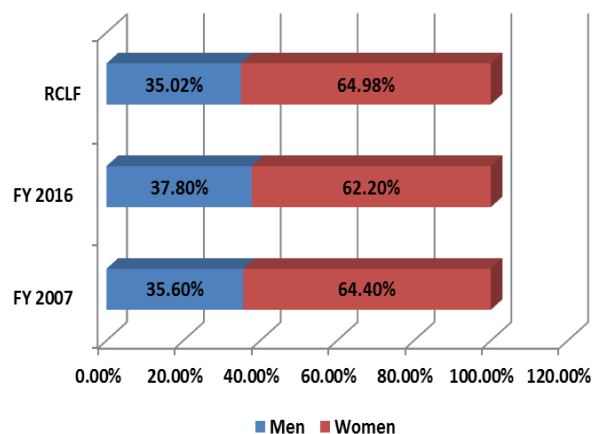
Treasury and its bureaus continue to utilize the Relevant Civilian Labor Force (RCLF) tool updated at the end of FY 2016, which provides a more realistic benchmark comparator based on the overall occupational composition of the Department's total workforce. Treasury identified all the occupations within the Department's workforce, pulled the relevant occupational CLF's and identified availability rates for each occupation to determine the proper weight each occupation should be given in order to determine the overall RCLF to compare to the Department's workforce. The weighting of the actual availability rate of each occupation in the labor force is the most critical part of determining the appropriate bench mark. For example secretaries comprise approximately 0.56 percent of the civilian workforce but the RCLF availability rate for secretaries is 96.1 percent women. If not properly weighted based on the 0.56 percent availability rate in the workforce, it could give a very misleading comparator as to what the representation of women could be. As a result, Treasury now has a more realistic comparator for availability rates by ethnicity race indicator (ERI) and gender based solely on those occupations employed at the Department. When compared to the National CLF availability rates, the FY 2016 RCLF comparator shows the following by ERI and gender:

- Men 35.02 percent RCLF vs. 51.86 percent CLF
- Women 64.98 percent RCLF vs. 48.14 percent CLF
- Hispanic men 2.69 percent RCLF vs. 5.17 percent CLF
- Hispanic women 5.82 percent RCLF vs. 4.79 percent CLF

- White men 26.92 percent RCLF vs. 38.33 percent CLF
- White women 48.01 percent RCLF vs. 34.03 percent CLF
- Black men 3.01 percent RCLF vs. 5.43 percent CLF
- Black women 7.56 percent RCLF vs. 6.53 percent CLF
- Asian men 1.95 percent RCLF vs. 1.97 percent CLF
- Asian women 2.53 percent RCLF vs. 1.93 percent CLF
- Native Hawaiian or Other Pacific Islander men 0.04 percent RCLF vs. 0.07 percent CLF
- Native Hawaiian or Other Pacific Islander women 0.08 percent RCLF vs. 0.09 percent CLF
- American Indian/Alaska Native men 0.25 percent RCLF vs. 0.55 percent CLF
- American Indian/Alaska Native women 0.64 percent RCLF vs. 0.53 percent CLF
- Two or More Race men 0.17 percent RCLF vs. 0.26 percent CLF
- Two or More Race Women 0.34 percent RCLF vs. 0.28 percent CLF

A comparison of FY 2016 participation rates in Treasury's permanent workforce for men and women shows little change from FY 2007. However, based on the RCLF availability rates, we see that women (62.20 percent compared to 64.98 percent RCLF) and men (37.80 percent compared to 35.60 percent RCLF) are participating at rates very close to their RCLF availability rates. And based on the RCLF, Treasury has a better understanding as to why the participation rate for women at the Department is significantly above the CLF availability rate (48.14 percent CLF compared to 64.98 percent RCLF) and the participation rate for men is significantly below the CLF availability rate (51.86 percent CLF compared to 35.02 percent RCLF).

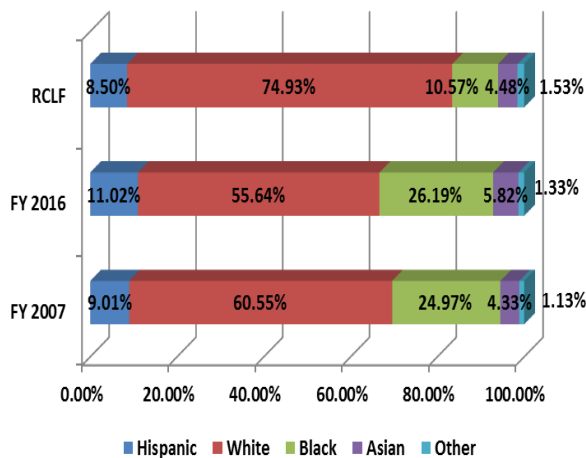
**Demographics and  
RCLF Comparison by Gender  
FY 2007 and FY 2016**



In FY 2007, Treasury's permanent workforce was 60.55 percent White and 39.35 percent non-White. In FY 2016, the participation rate for Whites decreased to 55.64 percent of the workforce and non-Whites increased to 44.36 percent. Thus, Treasury has noted a significant positive trend in the increased participation rate for non-Whites in the overall workforce. In fact, Hispanics (11.03 percent compared to 8.50 percent RCLF), Blacks (26.19 percent compared to 10.57 percent RCLF), Asians (5.82 percent compared to 4.48 percent RCLF) and Native Hawaiian or Other Pacific Islanders (0.17 percent compared to 0.12 percent RCLF) are participating at rates greater than their RCLF availability rates. American Indian/Alaska Natives (0.84 percent compared to 0.89 percent RCLF) are participating at rates very close to their availability rates. Whites (55.64 percent compared to 74.93 percent) and Two or More Races (0.28 percent compared to 0.51 percent RCLF) are the only groups participating at rates below their RCLF availability rates.



### Demographics and RCLF Comparison by ERI FY2007 and FY 2016



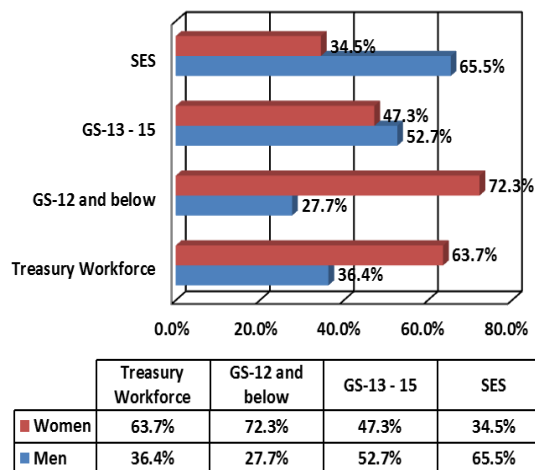
\* Other includes employees who are American Indian Alaska Natives, Native Hawaiian or Other Pacific Islanders and Two or More Races

### Distribution in the Grades

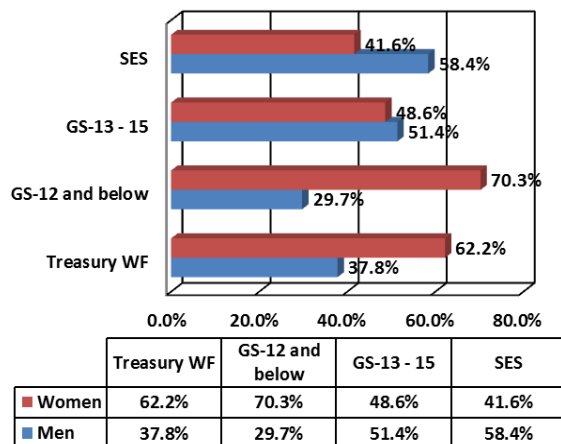
The distribution of women and non-Whites in Treasury's workforce has been an area of focus for the Department since FY 2005. OCRD has closely monitored the distribution of women and non-Whites in the feeder pools (GS 13 – GS 15) that lead to SES and SES positions. Since FY 2007, Treasury has seen a significant increased participation rate for women in the GS-13 through GS-15 grades and in SES positions.

At the GS-13 through GS-15 grade level, the participation rate for women increased by 1.3 percent, from 47.3 percent in FY 2007 to 48.6 percent in FY 2016. At the SES level, the participation rate for women increased by 8 percent, from 34.5 percent in FY 2007 to 41.6 percent in FY 2016.

### FY 2007 Grade Distribution by Gender



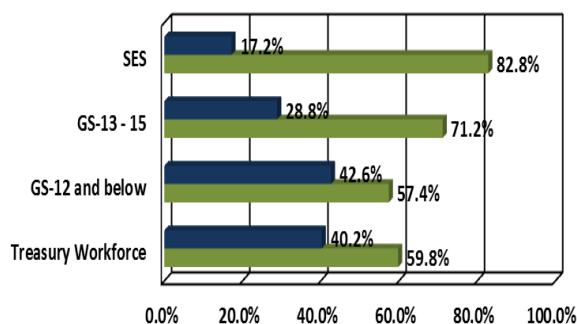
### FY 2016 Grade Distribution by Gender



The Department has also seen an increased participation rate for non-Whites in the higher grades. At the GS-13 through GS-15 grade level, the participation rate for non-Whites increased by 7.3 percent, from 28.8 percent in FY 2007 to 36.1 percent in FY 2017. At the SES level, the participation rate increased by 4.1 percent, from 17.2 percent in FY 2007 to 21.3 percent in FY 2017.

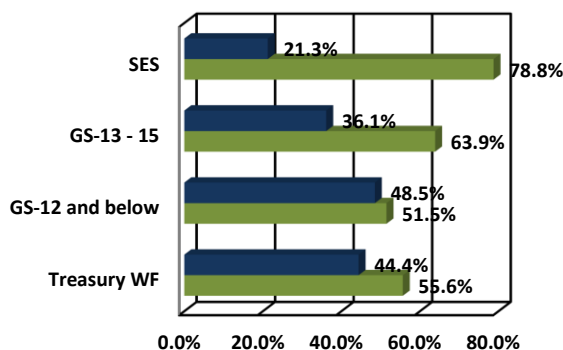


**FY 2007 Grade Distribution by  
White and Non-White**



	Treasury Workforce	GS-12 and below	GS-13 - 15	SES
Non White	40.2%	42.6%	28.8%	17.2%
White	59.8%	57.4%	71.2%	82.8%

**FY 2016 Grade Distribution by  
White and Non-White**



	Treasury WF	GS-12 and below	GS-13 - 15	SES
Non White	44.4%	48.5%	36.1%	21.3%
White	55.6%	51.5%	63.9%	78.8%

Nonetheless, in August FY 2015, Treasury received a feedback letter from the EEOC based on the Department and its bureaus' responses to the EEOC's Federal Complement Plan (FCP) Questionnaire and a follow up meeting with EEOC staff members on June 12, 2015. The letter indicated that the Department had not identified any triggers involving EEO groups in its SES positions or a barrier analysis in PART I as part of its FY 2014 MD-715 reporting even though its bureaus had indicated triggers for several EEO groups in their responses to the FCP.

As previously reported by OCRD, each of our bureaus, regardless of its size, has its own distinct reporting structure for its EEO and Human Resource (HR) offices and programs. Therefore, each bureau sets its own policy and procedures regarding the hiring, recruitment and retention of employees within the broad framework of the Department's Human Capital Strategy.

Additionally, when Treasury looks at Treasury-wide data as a whole, the progress noted may not be an accurate reflection of the true progress of each bureau. In fact, the consolidated view of the data may mask where potential barriers may still exist within some of the bureaus. Therefore, the detailed barrier analysis into possible glass ceilings, blocked pipelines and glass walls must be conducted by each of the bureaus rather than the Treasury Headquarters level. OCRD has expressed the expectation to the bureaus that they are required to complete detailed analysis to determine if any EEO groups are facing a potential glass ceiling, blocked pipeline or glass wall and based on their findings, complete any associated PART I's for submission with their bureau MD-715 reports.

OCRD also saw this as an opportunity to conduct a barrier analysis on the Treasury-wide policies that provide overarching guidance for advertising, recruiting and selecting SES candidates to determine if there were potential barriers that affected all the bureaus across Treasury. Therefore at the end of FY 2015, the Office of Civil Rights (OCRD) and the Deputy Assistant Secretary for Human Resources and Chief Human Capital Officer (DASHR CHCO) established a working group to conduct a review of the diversity of the Department's Senior Executive Service (SES) corps and the processes for selecting new executives. The working group was comprised of SES leadership who hold positions in the areas of Human Resources (HR) and Equal

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Employment Opportunity (EEO) from OCRD, DASHR, and several of the Department's bureaus (including Departmental Offices, Fiscal Service, the Internal Revenue Service (IRS), IRS Chief Counsel (IRS-CC) and the Office of the Comptroller of the Currency (OCC)), as well as the Director of the Departmental Offices' Office of Minority and Women Inclusion. The working group reviewed bureau policies, MD-715 reports, and data on race, ethnicity, and gender obtained from Enterprise Data Management through Workforce Analytics, for (1) career SES positions and OCC equivalent NB 8-9 positions at the end of FY 2015 compared to FY 2010 and FY 2005 and (2) the FY 2015 SES feeder pool positions<sup>7</sup> (i.e., GS-15 and OCC equivalents) compared to FY 2010 and FY 2005.

The following are highlights of the analysis conducted by the working group:

- As a whole, the Department has made significant strides increasing diversity within the SES and SES feeder pool for both women and minorities. With the exception of TIGTA, TTB and OCC, the representation rates for women and minorities increased since September 2005.
- The composition of the SES and feeder pools at the bureau level varied significantly. The representation rate for women in the SES ranged from 10 percent to 51 percent, with one fourth of the bureaus having a representation rate of 32 percent or less. The representation rate for minorities in

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<sup>7</sup> The Internal Revenue Service's primary SES feeder pool is the Senior Manager cadre (IR-01 pay band which spans GS14-15 grades). Two minimum qualifications in becoming an IRS executive include being a GS-15 level equivalent and having experience managing managers. Many GS-15s in the IRS do not have experience managing managers. Because of this lack of managerial experience, the IRS believes that identifying the GS-15 population as the feeder pool is too broad a comparator.

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the SES varied even more and ranged from 0 percent to 42.9%, with one half of the bureaus having a minority representation rate of 15 percent or less.

- Since FY 2013, more SES have been brought onto Treasury's rolls through conversions than through hires or promotions (promotions apply only to OCC). Conversions accounted for 61 percent in FY 2013, 60 percent in FY 2014 and 58 percent in FY 2015. This means that the diversity of many of our SES members is dependent on the diversity of the feeder pool, which warrants a closer look at the composition of that pool in each bureau.
- Over the last three years, 60 percent of the conversions were males and 78 percent of the conversions were White.
- 53 percent of the Department's current SES employees are between the ages of 50 – 59 and 23 percent are 60 years of age or older; and, 65 percent of current SES employees are eligible to retire within the next 5 years.

Based on the root cause analysis, the working group identified the following overall findings:

- For those bureaus (OIG, TIGTA, FinCEN, SIGTARP, Mint and BEP) or occupations with 10 or fewer SES positions, the limited number of positions and infrequency with which these positions turn over impact the ability to make progress.
- With the exceptions of IRS and OCC, limited or no outreach is being conducted.
- Where bureaus seek to fill vacant SES positions with an existing internal SES Candidate Development Program (CDP) graduate, diversity by ERI and

gender depends on the diversity of the bureau's CDP candidates. In many cases, the diversity is not there. Therefore little change in the overall demographics of the SES cadre can be expected.

- No bureau has an official policy or standard processes to ensure that the Executive Resource Board (ERB) panels are diverse.
- None of the bureaus requires ERB panel members to complete mandatory interviewing or unconscious bias training.

As a result of the findings identified in the report, the working group made recommendations in four key areas:

### 1. Informed Decision Making:

- Update internal procedures to require the appropriate management official to review the statistics relating to the diversity of the internal pool prior to recruiting internally, to help develop a sufficient pool of diverse internal candidates from which to recruit.
- Treasury (DASHR, OCRD, and CIO) will coordinate changes and/or the development of new tables in CareerConnector /Monster Analytics to ensure applicant flow data is available for all vacancy announcements, not just internal ones.
- All bureaus are to track applicant flow data for all SESCDP programs to enhance barrier analysis capabilities on the SESCDP programs. This is a process that with coordination could possibly be done through CareerConnector.

### 2. Broadening the Pool:

- To ensure the broadest pool of candidates for SES vacancies, SES vacancy announcements are to be posted/open for a minimum of 30 days to allow sufficient time to recruit widely. Shorter periods should be on an exception only basis, when there is a demonstrated urgent need.
- While posting bureau employment opportunities to social media networks such as Twitter, LinkedIn, and Facebook is an excellent avenue to reach a more tech savvy audience, this practice does not necessarily address our ability to reach those groups by ERI or gender within specific occupations with lower than expected participation rates.
- To ensure employment opportunities are reaching those intended groups, the working group recommends that each bureau reevaluate where it is currently sending its vacancy announcements to give them the best opportunity to reach those groups with lower than expected application rates as well as overall workforce participation in comparison to their OCLF benchmarks. As part of this recommendation, the working group recommends expansion of the Departmental Offices' contract with the Professional Diversity Network (PDN) to allow all bureaus to announce all SES positions through PDN or an equivalent service.
- Recommend OCC follow up to see if the changes made by HR in response to the OIG audit have resulted in any improvement in the quality of applications from

employees, and have impacted the diversity of the well-qualified pool.

- Incorporate a discussion of EEO and diversity into all SES orientation and training for new executives.

### 3. Changes to ERB Compositions:

- Treasury (DASHR) should establish policy guidance as to composition of the ERBs used to evaluate candidates. Bureaus should strive to ensure ERB panels are diverse as to gender, race, and ethnicity whenever possible. If a diverse group of subject matter experts is not available, the bureau EEO Officer (if an executive) should be a part of the process.
- Treasury (DASHR) should establish policy guidance requiring ERB panel members and hiring officials to complete unconscious bias or similar training prior to serving on an ERB panel.
- To promote objective ratings and to help avoid unconscious bias, the Department should consider requiring HR offices to mask candidate's names or other identifying information when rating/ranking applications for SES or SES candidate development programs.

### 4. After Selection

- Once a new SES candidate is appointed, have the bureau EEO officer brief her or him on EEO and diversity, including discussing their roles and responsibilities and the demographic composition of their workforce.

The Departmental Executive Resources Board was briefed on the report and agreed to endorse the recommendations in the report. Therefore, the ASM has directed OCRD and DASHR to develop the framework to institutionalize the recommendations made in the report in the upcoming year.

### Disability Employment Program

According to OPM's latest *Report on the Employment of Individuals with Disabilities in the Federal Executive Branch for FY 2014*<sup>8</sup>, which includes disabled veterans, Treasury fell from the number 2 leading cabinet level agency in on board employees with disabilities to number 8 and number 9 for employees with targeted disabilities<sup>9</sup>. However, Treasury remained the 2<sup>nd</sup> highest agency in the use of Schedule A for new hires in FY 2014.

In FY 2016, each Treasury bureau continued to maintain the hiring goals that 10 percent of all new hires would be persons with disabilities (PWD) including a 2 percent sub-goal for people with targeted disabilities (PWTD). While the Department experienced a slight increase for new permanent hires of PWTD, from 1.51 percent in FY 2015 to 1.80 percent in FY 2016, the Department decreased its new permanent hires of PWD, from 11.42 percent in FY 2015 to 10.56 percent in FY 2016. We note that two Treasury bureaus exceeded the overall hiring goal for both PWD and PWTD: 27.71 percent of Fiscal Services' new hires were PWD, of which 4.52% were PWTD and

<sup>8</sup> FY 2015 data is not available at this time.

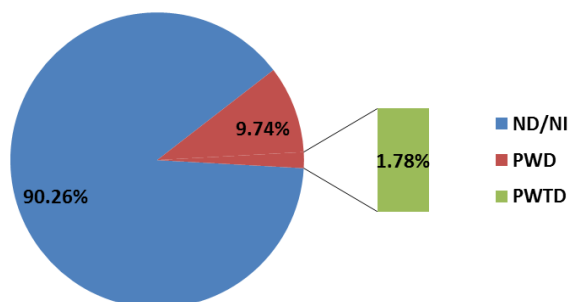
<sup>9</sup> In FY 2014, OPM started to include Veterans as which significantly increased the overall participation rates for some cabinet level agencies such as DHS and DOD.

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17.89 percent of the U.S. Mint's new hires were PWD of which 2.11 percent were PWTD. Other Treasury bureaus which exceeded in one of the overall hiring goals included: 3.51 percent of Internal Revenue Service Chief Counsel's new hires were PWTD, 11.52 percent of Office of the Comptroller of the Currency's new hires were PWD and 11.54 percent of the Office of the Inspector General's new hires were PWD.

Although the Department's overall number of permanent employees with targeted disabilities decreased from 1,743 in FY 2015 to 1,724 in FY 2016, the total size of Treasury's permanent workforce also decreased from 99,251 to 96,892. As a result, the Department's overall participation rate of permanent employees with targeted disabilities increased slightly from 1.76 percent in FY 2015 to 1.78 percent in FY 2016.

### FY 2016 Participation Rate for PWTD



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### FY 2016 Disability Participation Rates By Bureau (Permanent)

Bureau	TOTAL	PWD #	PWD %	PWTD #	PWTD %
BEP	1763	131	7.43%	12	0.68%
FS	3527	541	15.34%	67	1.90%
DO	1894	108	5.70%	14	0.74%
FinCEN	272	27	9.93%	4	1.47%
IRS	80,320	7966	9.92%	1552	1.93%
IRS-CC	1967	121	6.15%	27	1.37%
Mint	1623	206	12.69%	21	1.29%
OCC	3958	245	6.19%	20	0.51%
OIG	161	12	7.45%	2	1.24%
SIGT	122	7	5.74%	0	0.00%
TIGTA	806	33	4.09%	1	0.12%
TTB	479	45	9.39%	4	0.84%
<b>TOTAL</b>	<b>96,892</b>	<b>9,442</b>	<b>9.74%</b>	<b>1,724</b>	<b>1.78%</b>

In support of Treasury's "Be a Champion" initiative, which encourages all bureaus to hire veterans and PWD in high visibility positions, throughout FY 2016, the Department's Disability Program Manager and the Veterans Employment Representative conducted a series of Roadshows to provide face-to-face coaching to Treasury's managers and other key personnel (bureau Veteran Employment Representatives, Disability Program Managers, and Selective Placement Coordinators). The Roadshows educated Treasury's key stakeholders on the many benefits of hiring veterans and PWD, including utilizing the non-competitive hire request process for veterans and Schedule A candidates.

In addition to the Disability Dashboards, which are provided quarterly to assist the HCAC and the Department's leadership in monitoring the bureaus' progress in meeting their hiring goals, disability data is included in the bi-annual Human Capital Diversity Metrics for the Assistant Secretary for



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Management's quality performance reviews. OCRD also includes a Disability Awareness section in its quarterly newsletter. Through the newsletter and other sources, the Department ensures that hiring managers are informed of and encouraged to use various resources that provide assistance with the employment of qualified people with disabilities, e.g., CAREERS and the disABLED, OPM's Bender Consulting Services, the Division of Rehabilitation Services (DORS) and State Vocational Rehabilitation Agencies.

OCRD also began a new initiative to prepare deeper dive dashboards for four of Treasury's major occupations; Economist, Attorney, IT Specialist, and Contract Representative. The deeper dive dashboards included detailed information on the population of PWD and PWTD within the designated occupational series. The deeper dive dashboards were created to serve as a tool to provide leadership with relevant information around potential barriers within the major occupations.

### Veteran Employment Program

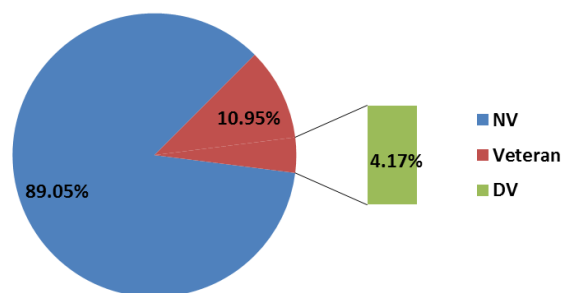
Treasury is committed to achieving a workforce that includes those who have served in the defense of our country. In FY 2016, each bureau had an assigned Veteran Employment Representative (VER) to work with the Treasury Veterans Employment Program Office (VEPO) to support the recruitment, hiring and retention of veteran employees. The VEPO and VERs met on a recurrent basis to discuss best practices, veteran-focused initiatives, and review bureau veteran employment performance.

While the Office of Personnel Management (OPM) did not establish veterans hiring or retention goals in FY 2016, Treasury set its own numerical goals based on OPM's End of Year Group Results by agency size (20k - 100k). As a result, Treasury increased its numerical goals to 15 percent for veterans in

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the workforce, 16 percent veteran new hires, and 7 percent of disabled veteran new hires. Although meeting all performance elements was challenging, Treasury maintained its participation rate of total veterans (10.95 percent) in FY 2016. Of the 10.99 percent of total veterans in the workforce, total disabled veterans in the workforce are 4.17%. Of the disabled veterans in the workforce, 60 percent are "30% percent or more" disabled veterans. The Department's end of year performance results for veteran hires were 11.47% and 6.88% disabled veteran hire.

### FY 2016 Veteran/Disabled Veterans in the Workforce



The Department uses numerous strategies to support hiring goals: utilizing the Department of Veteran's Affairs (VA) Employment Servicing Office, partnering with VA Vocational Rehabilitation Coordinators nation-wide and college campuses, internal veteran resume database, Veteran Employment training for managers and human resources professionals, external veteran email account, veteran telephone line, Treasury external career website, IRS Schedule A portal, attendance at veteran targeted career fairs and outreach events, and social media such as the Feds Hire Vets Facebook, and bureau specific Facebook, Twitter, LinkedIn, YouTube, and other veteran employment job sites. In addition, at the Department, bureaus instituted collaborative efforts with Selective Placement Program, Disability Employment Program Managers, Diversity Management



offices, and Human Resources practitioners. Further, bureaus such as the bureaus of Fiscal Service (FS) and Internal Revenue Service (IRS) implemented bureau specific policies for the following programs for veterans and disabled veterans: the Warrior Intern Program, the Non-paid Work Experience Program, and Non-Paid Student Veteran Intern Program. As a result of these efforts, 9 out of 12 bureaus saw an increase in their hiring goals from FY15 to FY 2016. The Department's Human Capital Plan, FY 2014-2017, incorporated the strategies outlined in E.O. 13518.

The Department's Veterans Employment Program Office (VEPO) continued to provide oversight guidance to all bureaus through monthly stakeholder meetings, sharing status of hiring goals on a bi-weekly basis, and recurring communication on pertinent information affecting the employment of disabled veterans. The Department's VEPO provides hiring managers with resumes of veterans and disabled veterans eligible for non-competitive hire. In FY 2016, 42 veteran and disabled veteran referrals were made, resulting in a 64.89% selection rate (27). In addition to the VEPO non-competitive hiring efforts, bureau VER continue to share veteran resumes with hiring managers.

The VEPO coordinated participation at career fairs targeting veterans and veterans with disabilities. In FY 2016, the Department VEPO participated in 20 career fairs, seven more than in FY 2015. In addition to these career fairs, bureaus participated at other careers fairs such as the Walter Reed Operation Warfighter, military installation, and American Public University virtual career fairs.

The Treasury VEPO maintained the Department's Veterans Employment intranet site. This site serves as a "Veteran Hiring Toolbox" which outlines the special hiring authorities and procedures for using those authorities. In addition, the site highlights

benefits to the hiring managers for hiring veterans and veterans with disabilities.

The Department mandates that all hiring managers and human resources practitioners complete annual Veterans Employment Training and Uniformed Services Employment and Reemployment Rights Act (USERRA) Training. In FY 2016, the Department had a 96 percent completion rate. In addition, bureaus identified and provided additional training and tools for hiring managers: veteran hiring webinars and training sessions, a manager's toolkit, and leadership briefings on veteran workforce participation.

Although the Department does not have advancement opportunities targeting only disabled veterans, the Department has methods in place to promote all opportunities to the veteran and disabled veteran workforce. The VEPO, Treasury Veterans Employee Resource Group (VERG), and bureau Veteran Employment Representatives (VER) market the career development programs and promotion opportunities to all veterans and disabled veterans through quarterly VERG meetings, ad-hoc emails, VEPO SharePoint site, VEPO intranet site, quarterly Department-wide newsletters (Veteran's Focus Newsletter, EEO and Diversity in the Works Newsletter), bureau level newsletters, and veteran informal mentor programs. In addition, bureaus have enhanced existing training design, development, and delivery methods to ensure that all educational deliverables and live instructional events are 508 compliant and accessible for individuals with disabilities. For example, at the Office of the Comptroller of the Currency (OCC) enhancement efforts included slight revisions to the agency's eLearning course viewer to ensure consistent reading by assistive technologies, and reformatting and remediation of existing classroom materials for optimal assistive technology and device readability. In

addition, the OCC instituted an instructor coaching process to equip OCC educators with appropriate knowledge and skills for facilitating training and development sessions for diverse groups of learners, including those with disabilities.

In addition, OCRD includes a Veteran Awareness section in its quarterly newsletter. Through the newsletters and other sources, the Department ensures hiring managers, supervisors, and human resources personnel are informed of their roles and responsibilities to hire and advance veterans, including veterans with disabilities. A Veterans Focus Newsletter is issued on a quarterly basis as an information sharing program to increase retention of veterans. Further, the newsletter is shared with veteran clients as a recruitment tool with information on federal employment opportunities and a resource toolbox for hiring officials.

#### FY 2016 Veteran Hires By Bureaus

	# Veteran Hires	% of Veteran Hires	# Disabled Veteran Hires	% Disabled Veteran Hires
BEP	60	40.82%	31	21.09%
BFS	101	28.94%	69	19.77%
DO	57	16.67%	24	7.02%
FINCEN	2	8.33%	1	4.17%
IRS	548	8.38%	287	4.39%
IRS-CC	37	31.62%	13	11.11%
MINT	57	41.61%	30	21.90%
OCC	49	11.64%	23	5.46%
OIG	5	18.52%	4	14.81%
SIGT	6	20.69%	3	10.34%
TIGTA	13	19.40%	5	7.46%
TTB	9	26.47%	4	11.76%
<b>TOTAL</b>	<b>944</b>	<b>11.47%</b>	<b>494</b>	<b>6.00%</b>

#### External Civil Rights Program

OCRD ensures the Treasury bureaus are in compliance with the external civil rights laws applicable to their federally conducted and assisted programs. Treasury's nondiscrimination policy provides that individuals have equal opportunity to participate in, and receive benefits from, all programs or activities funded by the Department. To ensure compliance, OCRD develops policy and guidance, conducts civil rights compliance reviews of Treasury programs, provides oversight and technical assistance, and offers training to the Treasury bureaus. OCRD also processes and investigates complaints from individuals alleging discrimination in Treasury conducted or assisted programs and activities. In addition to its Treasury-wide responsibilities, OCRD also manages the external civil rights program for the Departmental Offices.

Programs offering federal financial assistance are defined as programs providing monetary or non-monetary assistance to a recipient to support a public purpose. Federal recipients are entities or organizations that receive federal financial assistance from the federal government. Federal financial assistance includes, but is not limited to, grants and loans of federal funds, donations of federal property, training, details of federal personnel, and any agreement, arrangement or other contract which has as one of its purposes the provision of assistance. A federally conducted program or activity is, in simple terms, is anything a federal agency does. Federally conducted programs include, but are not limited to, tax preparation services and tours of Treasury buildings.

OCRD has jurisdiction to process the following complaints:

- Complaints alleging race, color or national origin discrimination in programs or activities receiving Treasury financial assistance may be filed pursuant to Title VI of the Civil Rights Act of 1964.
- Complaints alleging age discrimination in Treasury assisted programs may be filed pursuant to the Age Discrimination Act of 1975.
- Complaints alleging sex discrimination in Treasury assisted educational programs may be filed pursuant to Title IX of the Education Amendments of 1972.
- Complaints alleging disability discrimination in programs or activities receiving financial assistance from, or conducted by the Department, may be filed pursuant to Section 504 of the Rehabilitation Act of 1973.
- Complaints alleging denial of accessibility to electronic and information technology in use by the Department may be filed pursuant to Section 508 of the Rehabilitation Act.

In FY 2016, Treasury received 31 complaints of discrimination or inquiries pertaining to the external civil rights program, compared to 24 complaints and inquiries received during FY 2015. Of the external inquiries or complaints received during FY 2016, five were determined to fall under the jurisdiction of the Department and were accepted for investigation. There were no findings of discrimination issued during FY 2016.

During FY 2016, OCRD continued the work of ensuring that Treasury regulations and policies were in place. The Department published a Final Rule implementing Title VI of the Civil Rights Act of 1964 on December 13, 2016. The rule became effective on January 12, 2017. The Department also submitted for government-wide clearance and eventual publication in the Federal

register, a draft final rule implementing the Age Discrimination Act of 1975. OCRD also published a Notice of Proposed Rulemaking (NPRM) for rules implementing Section 504 of the Rehabilitation Act of 1973 to its assisted programs. The comment period ended on March 6, 2017. OCRD continued to lead the Treasury Title VI Implementation Working Group and the group continues to bring together Treasury's assisted program offices to discuss future implementation of Treasury's Title VI, Age Act, and Section 504 regulations.

OCRD continued to provide technical assistance to the bureaus including the IRS Civil Rights Division (CRD). In FY 2016, OCRD conducted a comprehensive Advanced External Civil Rights Training for Treasury employees. The training covered requirements under Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments Act of 1972, Section 504 of the Rehabilitation Act of 1973 as amended, and a practical exercise on how to conduct accessibility review. OCRD also started the work of establishing memorandums of understanding for external civil rights enforcement in two DO assisted programs.

This year, OCRD began conducting the first department-wide compliance review under Title IX. The main goal of the review is to assess the scope of the Department's responsibilities under Title IX and to request corrective actions to improve compliance as needed.

### Accomplishments

The Department is proud of its accomplishments towards maintaining a model EEO program in FY 2016. The accomplishments below outline our many successes throughout the reporting period:

- Developed a Barrier Analysis and Best Practice Guide to assist bureau

- EEO and HR staff members in determining the best route for conducting further barrier analysis at the bureau level in FY 2017.
- Published quarterly EEO and Veterans newsletters which provided Treasury's EEO practitioners, managers and supervisors, as well as employees, with information on relevant complaint issues, workforce statistics and important upcoming agency events/activities.
  - Distributed bi-annual Treasury-wide dashboards to keep Bureau Heads and other Treasury leaders current on the state of Treasury's workforce and progress in meeting the established FY 2016 disability and veteran hiring goals.
  - Completed deeper dive dashboards for four of Treasury's major occupations; Economist, Attorney, IT Specialist, and Contract Representative. The deeper dive dashboards served as a tool to provide leadership with relevant information around potential barriers within the major occupations.
  - As part of the Department's Quarterly Performance Review process, provided the ASM and Deputy Secretary with spring and fall workforce diversity performance slides outlining bureau participation rate, hires, separations and grade distribution by ERI/gender, disability and veteran status.
  - Provided Treasury's SES cadre with unconscious bias training.
  - Conducted the FY 2016 Dispute Prevention Month designed to increase focus on resolution of complaints.
  - Conducted seven "Be a Champion Roadshows", providing coaching for managers at TIGTA, DO-OCIO, DO-Office of Domestic Finance, DO-PTR, BEP, TTB, and TIGTA managers in Chicago.
  - Developed a commemorative webpage to bring awareness to National Disability Employment Awareness Month.
  - Required bureaus to maintain Diversity and Inclusion Implementation Plans and conducted reviews to ensure bureaus were meeting requirements outlined in the Department's Diversity and Inclusion Plan.
  - Hosted 873 interns Department-wide through various paid and non-paid diversity internship programs, universities and colleges.
  - Completed a Treasury-wide barrier analysis on the distribution of women and minorities in the Senior Executive Service. Issued a report identifying findings and recommended strategies to address identified barriers.
  - Updated the Treasury and bureau specific RCLF's which provide more realistic benchmark comparators based on overall occupational workforce composition at Treasury and within each of its bureaus.
  - Provided each bureau with an assessment of its FY 2015 barrier analysis submitted as part of the Annual MD-715 report submissions
  - Increased the participation rate for Hispanics from 9.01 percent in FY 2007 to 11.02 percent in FY 2016, which exceed both the CLF (9.98 percent) and RCLF (8.50 percent) availability rates.
  - Increased the participation rate for women at the GS-13 through GS-15 grade level; rate increased by 1.3 percent, from 47.3 percent in FY 2007 to 48.6 percent in FY 2016. At the SES level, the participation rate for women increased by 7.1 percent, from 34.5 percent in FY 2007 to 41.6 percent in FY 2016.

## Office of Civil Rights and Diversity

- Increased the participation rate for non-Whites in the GS-13 through GS-15 grades by 7.3 percent, from 28.8 percent in FY 2007 to 36.1 percent in FY 2016. At the SES level, the participation rate for non-Whites increased by 4.1 percent, from 17.2 percent in FY 2007 to 21.3 percent in FY 2016.
- Exceeded the Department's goal that 10 percent of all new permanent hires be PWD (10.56 percent).
- Conducted comprehensive Advanced External Civil Rights Training for Treasury employees. The training covered requirements under Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments Act of 1972, Section 504 of the Rehabilitation Act of 1973 as amended, and a hands-on exercise conducting an accessibility review
- Issued a final rule for the rules implementing Title VI of the Civil Rights Act of 1964 and the Age Discrimination Act of 1975.
- Submitted the Draft Notice of Proposed Rulemaking for Section 504 of the Rehabilitation Act to the Office of Management and Budget for clearance and publication in the Federal Register
- Issued FY 2015 Compliance Review Report of the Taxpayer Assistance Centers in the Midwest, to the Internal Revenue Service
- Created Notice of Rights Poster for Treasury's assisted programs and activities
- Disability Program Manager coordinated with Veterans Program Manager to share and disseminate resumes of qualified candidates with disabilities to hiring managers.
- The Department's Veterans Employment Program Manager made 42 veteran and disabled veteran referrals, resulting in a 64.89%

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- selection rate (27). In addition to the VEPO non-competitive hiring efforts, bureau VER continue to share veteran resumes with hiring managers.
- Selected an Executive Board for Treasury-wide Veterans Employee Resource Group (VERG). VERG that supports professional development, group mentoring, training, and retention of veteran employees. Held quarterly meetings in FY 2016.
- Developed a commemorative webpage to bring awareness to Veterans Day.
- Participated in the Interagency Vets to Feds (V2F) Program FY 2016 – BEP announced 15 STEM positions, pending selections
- Developed a VERG SharePoint site to serve as a one-stop resource toolbox for VERG members to support the promotion and individual development of its members and encourage participation of VERG activities. The VERG distribution list will improve the effectiveness of communication to VERG members between the VEPO, VERG President, and VERG members.
- Successfully implemented a Veteran Data Integrity Project to streamline veteran workforce statistics; resulted in an HR Connect change which had a positive impact on other serviced Federal Agencies.
- Designed and published new Veteran Recruitment Marketing Material with a streamline look.
- On a daily basis, monitor emails and phone calls from numerous transitioning service members, veterans, and outside the agency veteran employment representatives. Provided clients with employment counseling, recruitment and outreach support. Resulting in a Veterans Employment Program Office (VEPO) directory of 669 veteran clients and



45 veterans employment and rehabilitation organizations.

- Developed Treasury's Strategic Diversity and Inclusion Plan version 2.0.
- Issued a Treasury LGBT and gender identity non-discrimination policy.

## **Conclusion**

OCRDR's FY 2016 Annual Report outlines our successes in our equal opportunity programs and activities. OCRDR is proud of its accomplishments in the areas of attracting and retaining an increasingly diverse workforce. However, we realize there is still much to be done to increase workforce diversity, specifically in senior pay levels and feeder groups and to improve the hiring and promotion rates of individuals with targeted disabilities. Therefore, as we move forward into the next fiscal year, we will maintain our focus on developing plans to ensure we have the broadest group of diverse, well-qualified talent from which to recruit.